

Media Outlet: The Pharma Letter

Date: 12<sup>th</sup> September

URL: <http://www.thepharmaletter.com/article/surge-of-the-indian-pharmaceutical-sector>

The screenshot shows the website header with the logo 'thepharmaletter' and a tagline '\* Up to date news for the Pharmaceutical and Biotechnology Industries'. There are 'LOGIN' and 'SUBSCRIBE' buttons. A search bar is present. Below the header is a navigation menu with categories: NEWS, FEATURES, EVENTS, WORLD NEWS, COMPANIES, DRUGS, REPORTS. A secondary menu lists: PHARMACEUTICAL, BIOTECHNOLOGY, GENERICS, BIOSIMILARS, REGULATION, M & A, IN THE BOARDROOM. A breadcrumb trail reads: YOU ARE HERE > HOME > PHARMACEUTICAL. The main heading is 'Surge of the Indian pharmaceutical sector'. Below it, the date '12-09-2015' and 'COMMENTS (0)' are shown. A series of tags includes Cipla, Glenmark, India, Intas, Macleoids, MannKind, Markets & Marketing, Pharmaceutical, Production, and Research. Social media icons for Facebook (4), Twitter (3), LinkedIn (2), and Google+ (0) are displayed. The main text states: 'The Indian domestic pharmaceutical market is estimated at 904 billion rupees (\$15 billion) ending fiscal year 2015 with a growth of 12%. It is estimated that almost 27%-30% of the India's pharmaceutical market is catered to by multinationals operating in India.' A 'RELATED REPORTS' section on the right lists 'PharmaPoint: Epilepsy - India Drug Forecast and Market Analysis to 2022' dated 15-02-2013.

## Surge of the Indian pharmaceutical sector

The Indian domestic pharmaceutical market is estimated at 904 billion rupees (\$15 billion) ending fiscal year 2015 with a growth of 12%. It is estimated that almost 27%-30% of the India's pharmaceutical market is catered to by multinationals operating in India.

Around 4,60,000 people are estimated to be employed in the pharmaceutical industry, according to a new report from Brand India Pharma, an initiative led by Pharmexcil (Pharmaceutical Export Promotion Council) and IBEF (India Brand Equity Foundation) under the aegis of the Department of Commerce, Government of India.

Top 20 companies account for 64% of the market. Eight out of the top 20 are growing faster than the market with Macleoids topping the list with 23.4% growth, followed by Intas at 21.3%, Cipla 19.7% Glenmark over 19.4% growth and Mankind 19.3%. Besides, India's pharma exports stood at \$15.3

billion in 2014-15. There were M&A activities in the industry worth \$5.78 billion, an increase of around 44.5% in comparison to 2013.

The Indian government's continuous and concerted efforts have resulted in the reach of modern medicine to almost all corners of the country and its measures have resulted in the steady decline of communicable diseases. The success of eradication of polio, small pox, etc, can be attributed entirely to the tireless efforts of the government.

### **Other factors driving growth**

Other key assets which have played a role in India becoming a leading pharma market are a thorough know-how in the manufacture of generics, rapidly developing research and development facilities with talented technical staffing, internationally recognized systems of pharmacy education, and a broad patient population pool, enabling intense clinical trials.

India accounts for 30.3% (2,911) of 9,619 Drug Master Files (DMFs) filed with the USA, which is the highest outside of the USA. India has been accredited with approximately 1,187 CEPs (Certificate of Suitability), more than 950 TGA and 584 sites approved by the US Food and Drug Administration.

### **Increasing R&D activity**

Despite a challenging intellectual property regime, pharmaceutical R&D activities are increasing in India. An average of 8%-10% of the total revenue of India domestic pharma market, ie, \$15 billion, is spent on R&D. Zydus Cadila has launched Lipaglyn (chemical name is saroglitazar), its original research to treat hypertriglycerdemia in type-2 diabetes. Glenmark has several new chemical and biologics. Contract Research and Manufacturing Services (CRAMS) in India is estimated to reach \$18 billion in 2018, up from \$7.6-\$7.8 billion in 2013. The biopharma market is valued at \$ 2.5billion whereas India is expected to grab at least 20%-25% of global market share in biosimilars in the next five years.

India is also making inroads to new regulated markets like Japan. Several initiatives have been undertaken by industry for engaging with Japanese pharma companies including contract

manufacturing of advance intermediates for drugs under clinical development/about to be made commercial, marketing APIs to Japanese generic and innovation companies, providing quality intermediates to the Japanese innovator companies.

In summary, the last few years have reshaped and repositioned India in the realm of health care and pharmaceuticals, and the results have started to show in its high ranking positions in the global pharmaceutical market.